

FY 2001 Budget In Brief

The Proposed Fiscal Year (FY) 2001 Budget addresses the Mayor and Council's new policy initiatives – creative growth management, neighborhood revitalization and code enforcement, the Town Center, and technology – while continuing to support the 1997-1999 policy initiatives. It also addresses the challenge of maintaining excellent customer services within the context of a growing community, while holding the City's property tax rate to its FY 2000 level.

Total Budget

The combined FY 2001 budget is \$59,328,878. This represents an increase of 1.7 percent over the revised FY 2000 budget, net of the appropriated fund balance in the General Fund. The General Fund budget is \$37,239,758, also net of the appropriated fund balance. The Capital Projects Fund will issue bonds in the amount of \$9.25 million to finance projects, and the Sewer Fund will issue bonds in the amount of \$4.5 million to finance Rockville's share of improvements at the Blue Plains Wastewater Treatment Facility, managed by the District of Columbia Water and Sewer Authority.

General Fund revenues in FY 2001 will exceed the revenue in the revised FY 2000 budget by \$1.9 million, net of the appropriated fund balance.

The FY 2001 revenue budget reflects the implementation of the fee and cost allocation studies conducted during FY 2000, which accounts for an increase of approximately \$325,000 in FY 2001 enterprise contributions and \$228,000 in additional fee revenues to the General Fund.

Mayor and Council Policy Initiatives

Last year, the newly elected Mayor and Council acknowledged the successful implementation of the 1997-1999 policy agenda, which concentrated on youth, the environment, telecommunications, neighborhoods, and the development of financial policies.

Recognizing that these initiatives will continue to be addressed as part of the City's work plan, in November 1999, the Mayor and Council established new priorities for the 1999-2001 term, which include creative growth management, neighborhood revitalization and code enforcement, the Town Center, and technology. City staff moved quickly to address the Mayor and Council's new policy initiatives through the remainder of FY 2000 and to make them priorities in the FY 2001 budget.

Creative Growth Management

With the continued development of King Farm, the anticipated development of Falls Grove, the revitalization of Town Center, and other significant infill developments throughout the city, the design and refinement of creative growth management policies and procedures are of primary importance to the Mayor and Council. Elements of this initiative include improving our development review process, preparing a new citywide Master Plan, resolving issues relating to "big box" retail development, promoting Smart Growth transportation solutions, and reviewing and revising the Rockville Pike Master Plan and various neighborhood plans.

In January 2000, re-engineering efforts designed to identify ways to improve the development review process resulted in a number of recommendations for additional procedural, staffing, and technology changes that will be implemented throughout the remainder of FY 2000 and FY 2001.

In an effort to ensure that development pays its own way, the City conducted a fee study in FY 2000. The new fees, which were implemented on April 3, 2000, provide the funding for many of the positions needed for development review. The FY 2001 budget anticipates \$469,000 in revenues to all funds as a result of these fee adjustments. In addition, the City is experimenting with the use of contractual engineers, funded by developers, to review development-related items. Growth is a delicate balance, and City staff has tried to be fair and prudent when assessing costs to developers whenever possible.

Neighborhood Revitalization and Code Enforcement

The Mayor and Council recognize that healthy and safe neighborhoods are vital to our community. The Mayor and Council's new neighborhood revitalization and code enforcement initiative is designed to ensure that Rockville's older neighborhoods age gracefully, there is appropriate diversity in housing stock, and community members and their property are kept safe through effective code enforcement and community policing programs.

- In cooperation with the Maryland Municipal League, the Mayor and Council successfully championed legislation in the 2000 General Assembly that enables

FY 2001 BUDGET SCHEDULE

Rockville's Mayor and Council believe it is vital for citizens and neighborhoods to be involved in City projects, and one great time to become involved is the annual spring budget process. This is the time that new projects are introduced and choices are made on funding and scheduling. Recommendations for adjustments to projects that are included in the six-year Capital Improvements Program (CIP) also are made during the budget process. City residents can play an important role in Rockville's priority setting. The Mayor and Council hope that you will take part in the annual budget process.

- **April 24** – Presentation to the Mayor and Council
- **April 25** – Proposed budget available to citizens, libraries, staff, etc.
- **May 1** – Public Hearing #1
- **May 8** – Public Hearing #2
- **May 16** – Work Session #1
- **May 23** – Work Session #2
- **June 5** – Budget and utility rates to be adopted by Mayor & Council
- **August 4** – Adopted budgets available to public

In addition to this insert, you can visit the City's Web site at www.ci.rockville.md.us for more information. If you have any questions, contact Michelle Beadle, Assistant City Manager, at mbeadle@ci.rockville.md.us or at 301-309-3304.

municipalities and counties to provide tax credit incentives for the rehabilitation of residential and commercial properties. A new Revitalization Manager position within the Department of Community Planning and Development Services, will be responsible for implementing and refining revitalization programs and efforts to promote appropriate diversity in housing stock.

- Improvements to case tracking software will increase the effectiveness of enforcement programs.
- Enhanced coverage through the Community Policing Program continues with the addition of two officers in FY 2001 and two officers in FY 2002.

Town Center

The redevelopment of Rockville's Town Center remains a top priority for the Mayor and Council. The completion of the Town Center Parking Study in FY 2000 *continued on page 2...*

Croydon Creek Nature Center



Rockville's Croydon Creek Nature Center will be located at Rockville Civic Center Park near the Old Avery Rd. meadow area. The creation of the new center, which is being designed with the input of a citizen taskforce, is part of the Mayor and Council's continued support of environmental issues in the city. It is estimated that construction will begin sometime this spring.

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supports the Mayor and Council's pursuit of a structured parking facility, which will address parking needs generated by the State, the County, the City, and the private sector. The FY 2001 – FY 2006 CIP includes funds to extend Maryland Avenue. Funding also has been carried forward in FY 2001 for the Town Center Master Plan, and City staff currently is working with a consulting firm and the Greater Rockville Partnership to conduct a comprehensive study analyzing the commercial and residential market of the Town Center. This data will be used in developing the Town Center Master Plan.

Rockville continues to benefit from the notable success of the Regal Cinemas, and significant new enhancements to Rockville Town Center are on the immediate horizon. The recent sale and plan for the \$6 million renovation of the former GE building on N. Washington Street along with the approval of the use permit for the Whalen Family Trust to construct 100,000 square feet of office and retail space are major steps forward in the Town Center revitalization effort. Additionally, the Washington Metropolitan Area Transit Authority's plan to develop the Rockville Metro site will further the Mayor and Council's goal of encouraging mixed-used development in the Town Center.

Technology

Following the successful adoption of the telecommunications policy and plan, the Mayor and Council have now broadened their technology focus to include issues related to strengthening the City's technology infrastructure and enhancing the ways by which technology is used to improve City services.

- Funding for e-commerce consulting and infrastructure will position the City to automate services such as customer fee payments, internal forms processing, and 24-hour recreation program registration.
- The new Citizen Automated Registration System (CARS) will allow any recreation customer to access registration information and perform transactions 24 hours a day from the World Wide Web or with a touch-tone phone, in addition to doing it during regular operating hours at any City facility.
- The Institutional Network (I-NET) will serve as the backbone for connecting City staff located at sites throughout the community to one another and to the customer electronically.
- Web access and mobile computers for field staff will allow citizens and developers to track the status of their permit applications through the Web, pay their fees on-line, and will permit staff to update permits and sign-off on inspections with wireless laptops and handheld computers from the field.
- Funding has been provided for support service and maintenance contracts for the computers at the Twinbrook Recreation Center, the Lincoln Park Community Center, and *the.chat.room.* at the Elwood Smith Community Center.

Performance Measures

Building upon previously established performance measures and recognizing the importance of continuous program performance improvement, the City implemented a comprehensive performance measurement system in the summer of 1999. This process of systematically collecting data about the organization's efficiency and effectiveness will serve the Mayor and Council and management by:

- Providing better information to enhance policy decision making;
- Improving customer service;
- Supporting strategic planning and goal setting;
- Enabling effective use of resources; and
- Strengthening accountability.

The proposed FY 2001 budget includes enhanced performance measures in each service delivery area. To measure customer satisfaction, the proposed budget allocates \$75,000 of re-appropriated FY 2000 funds for a citywide citizen opinion survey. This survey will assist in developing baseline data for the many performance standards dependent upon survey data for measurement.

Outside Agencies

The proposed budget provides for a \$10,408 increase over FY 2000 in the funds available for Caregivers in our community. This 3.16 percent increase is intended to assist those agencies that serve the neediest in our community by providing food, shelter, medical care, education, and emotional support.

Funding for Rockville Arts Place, Peerless Rockville, and the Rockville Consortium for Science remains at FY 2000 levels.

Workforce Issues

The continuing growth of the economy, particularly in the Washington Metropolitan Region, has contributed to an increasingly tight employment market. The recruitment and retention of top-notch talent are essential to the sustained excellence of Rockville's service delivery.

To ensure that the City remains a competitive employer, the FY 2001 budget proposes the following: funding for a salary survey; funding to raise the City's contribution toward employee health benefits from 75 percent to 80 percent; funding to replace the City's current FICA Alternative Program with FICA and allow the City to make FICA contributions for temporary employees; modification to the annual leave buyback program which will double the number of annual leave days each year that exempt employees may either cash out or invest in a deferred compensa-

FY 2001 BUDGET HIGHLIGHTS

Rate Information:

- The property tax rate remains at the rate of \$0.805 per hundred dollars of assessed valuation.
- The budget anticipates no additional reduction to the income tax rate, beyond the 3.3 percent reduction approved by Montgomery County beginning in calendar year 2000.
- The water rate increased by 8 cents per thousand gallons to a new rate of \$1.76 to provide support for ongoing capital improvements.
- The sewer rate increased by 13 cents per thousand gallons to a new rate of \$3.12 to accommodate increased capital costs at the Blue Plains Wastewater Treatment Plant.
- The refuse rate increased by one dollar to a new rate of \$21 per month, and further increases will be needed in future years as reserves have been spent down to a more appropriate level.

Overview:

- The General Fund budget of \$37.2 million is 5.6 percent higher than the revised FY 2000 budget, net of appropriated fund balance, while the combined budget of \$59.3 million for the City's 12 operating funds is 1.7 percent higher than the revised budget for FY 2000, also net of the appropriated fund balance in the General Fund.
- The Capital Improvements Program (CIP) incorporates \$88 million of community enhancements to be made over the next six years. In addition, projects carried over from prior years total \$57 million. A composite investment of more than \$145 million is anticipated between FY 2001 and FY 2006.
- The Capital Projects Fund will issue bonds in the amount of \$9.25 million to finance projects and the Sewer Fund will issue bonds in the amount of \$4.5 million to finance the additional improvements at the Blue Plains facility.
- The budget supports the Mayor and Council policy initiatives of creative growth management, neighborhood revitalization and code enforcement, the redevelopment of Rockville's Town Center, and strengthening of the City's technology infrastructure.

Staffing Changes

New Regular Positions:

- Division Chief, Permit Technician, Residential Plans Examiner, and Revitalization Manager in the Department of Community Planning and Development Services.
- Two Police Officers in the Department of Public Safety.
- Assistant Crew Supervisor (Refuse), Engineering Technician IV (Contract Management), Engineering Technician IV (Environmental Engineering and Storm Water Management) in the Department of Public Works.
- Construction Codes Inspector, Support Services Coordinator, Naturalist, .5 Childcare Director, .5 Childcare Senior Staff, .3 Program Assistant III, .5 Wellness Coordinator (Senior Center), Parks Maintenance Specialist, and Assistant Golf Equipment Mechanic/Operator in the Department of Recreation and Parks.

Lincoln Park Community Center



Currently the Lincoln Park Community Center is being renovated and more space is being added to house a computer center and a police substation.

tion plan; and development of a telework policy and program that will enable department directors to identify staff who could fulfill their responsibilities from alternative work sites such as home or a telework facility.

New Positions

Additional full time employees have been included to increase services to existing Rockville and to address priorities of the Mayor and Council, as well as to address service demands caused by growth and development.

Staff will continue to examine internal processes to see if there are other changes that could be made to eliminate the need for new positions. However, growth in the community and new programs and facilities clearly are driving the need for positions, and it would not be prudent to neglect to add the staff necessary to provide essential services.

Capital Improvements Program (CIP)

As was the practice last year, City staff reached out to the members of the community to inform them about the budget and how the CIP may affect their neighborhoods. The City mailed a letter to all neighborhood associations listing important budget process dates and requesting neighborhood proposals for new CIP projects. Attached to the letter were copies of FY 2000-2006 CIP projects within each neighborhood. Three responses were received from citizens and civic associations with written input for the CIP.

Also, an insert in the February *Rockville Reports* highlighted the importance of citizen involvement in the CIP process, requested neighborhood CIP project ideas, and shared the budget process schedule. Similar to last year, the City developed a special Web page for citizens to review the Recommended Budget.

Other Funds

Refuse Fund

A cash flow analysis of the Refuse Fund has identified the necessity of a \$1 increase in the monthly rate for refuse collection, disposal, and recycling services. The proposed FY 2001 rate of \$21 brings us back to FY 1997 levels and was anticipated as part of the FY 2000 Strategic Plan. With the stabilization of the reserve, this rise in the FY 2001 rate will account for increased operating costs and the expense of the leaf-recycling program. It is expected that the addition of the mixed paper recycling program, rolled out to the community in winter FY 2000, will not impact the refuse rate.

Water and Sewer Funds

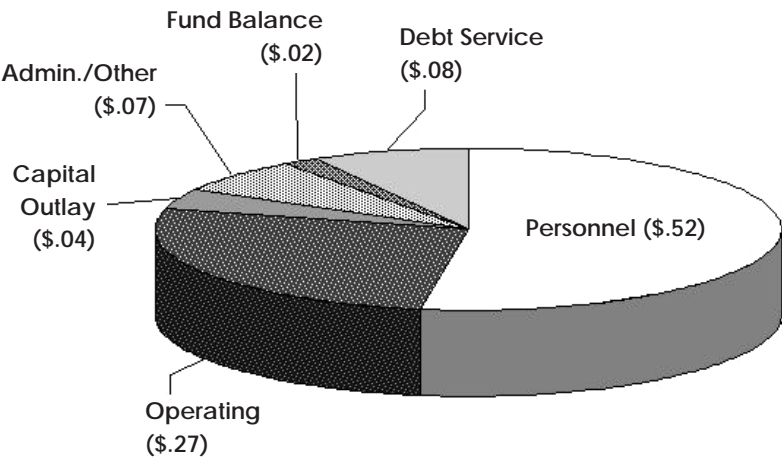
The six-year cash flows generated for the Water and Sewer Funds reflect the need for minimal rate increases. The Water Fund anticipates a needed rate increase of \$.08 per thousand gallons in FY 2001, raising the rate to \$1.76 per thousand gallons. This increase is necessary to support operations and ongoing capital improvements. The Sewer Fund projections indicate the need for an additional \$.13 per thousand gallons, raising the rate to \$3.12 for FY 2001. This new Sewer Fund revenue will support the City's share of the District of Columbia Water and Sewer Authority's ambitious capital program at the Blue Plains Wastewater Treatment Plant.

Conclusion

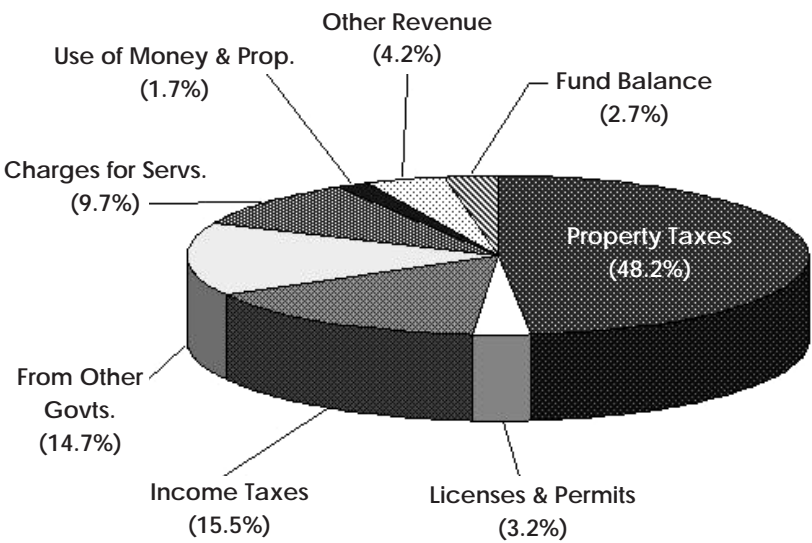
The proposed FY 2001 budget addresses concerns for maintaining excellence in customer service, ensuring responsible financial planning, promoting the principles of Smart Growth, and initiating innovations designed to keep Rockville a wonderful place to live, work, and visit. The city is a unique community, firmly grounded in effective communication and the building of partnerships that span economic and regional boundaries. Rockville is fortunate to have a community with a highly developed sense of civic responsibility, a workforce that takes great pride in delivering premium services, and political representation with a vision for the future of the City of Rockville.

WHERE THE FY 2001 DOLLAR IS SPENT

(All Funds — excludes Debt Service Fund)



PROPOSED FY 2001 GENERAL FUND REVENUES



Making Rockville Bicycle Friendly



The Mayor and Council continue to strive to make Rockville a bicycle-friendly city. As a result of this goal, construction will begin this summer and fall on the Falls Road Bike Path and the southeast section of the Millennium Bike Trail, a bikeway along Wootton Pkwy. from Falls Rd. to Glen Mill Rd.

In addition, bicycle routes in north central Rockville are now marked with signs. All bike routes east of Rt. 355 will be signed this spring.

Publication Release:
April 24, 2000



Publication Release:
August 4, 2000





FY 2001-2006 Capital Improvements Program

The following projects are included in the recommended six-year CIP listed by area.

AREA 1
General Government, Technology, and Community Enhancement
Town Center – Wayfinding Program

Environment
Beall Avenue/Park Road Water Main Replacement
Horners Lane Sewage Pump Station
Lincoln Park Drainage Improvements
* Lincoln Park Sump Pump Program
* Northeast Park SWM Retrofit
North Horners Lane Water Main
RedGate Southwest SWM Retrofit
Sanitary Sewer Rehabilitation
Stonestreet Avenue Water Main

Recreation and Parks
Athletic Court System Improvements
Grandin Park
Gude Drive Vehicle Washing Facility
Isreal Park Improvements
Lincoln Park Neighborhood Enhancements
Outdoor Security Lighting
Park Pedestrian Bridge Replacements
Park Shelter Improvements
* Pumphouse Facility Improvements
RedGate Golf Course Improvements
Unity Bridge Improvements

Transportation
Avery Road Reconstruction
Avery Road, Right Turn at MD Route 28
Baltimore Road – MD Route 28 to Gladstone
Gude Drive Noise Study
Highland Avenue Dead End
Horners Lane Tank Demolition
Park Road/Stonestreet Traffic Control
Southlawn Lane – Lofstrand to Gude
Southlawn Lane West
Southlawn Water Main
Southlawn/Dover Connector Road
Town Center – Street Lighting and Traffic Control

AREA 2
Environment
RedGate Southwest SWM Retrofit
Sanitary Sewer Rehabilitation

Recreation and Parks
Civic Center Cottage Renovations
Croydon Creek Nature Center
F. Scott Fitzgerald Theatre and Social Hall
Glenview Mansion Improvements/
Master Plan
Outdoor Security Lighting
Park Pedestrian Bridge Replacements
Twinbrook Street Tree Replacement

Transportation
Baltimore Road – MD Route 28
Gladstone
Sidewalk Links II

AREA 3
Environment
* Alsace Lane Improvements
Chapman Avenue Water Main
Lewis Avenue Water Main
RedGate Southwest SWM Retrofit
* Rockcrest Stream Improvements

Recreation and Parks
Athletic Court System Improvements
Twinbrook Community Center Annex
Twinbrook Street Tree Replacement

AREA 4
Environment
Cabin John Relief Sewer
Creation of Non-SWM Wetland Site
Dawson Farm Retrofit SWM Facility
Derbyshire SWM
Drainage Improvements
Hungerford SWM Facility
Jefferson Street Water Main
Mount Vernon Place Retrofit SWM Facility
North Farm SWM Facility Retrofit
Sanitary Sewer Rehabilitation
* Water Storage Tank – Cathodic Protection
Water Storage Tank Preservation

Recreation and Parks
Ballfield Improvements
Cabin John Forest Preserve Park
Dawson Farm Park Improvements
Elwood Smith Community Center Improvements
Montrose Community Center Improvements
Outdoor Security Lighting
Park Pedestrian Bridge Replacements

Transportation
Detention Center Access Modifications
East Lynfield Drive Widening
Falls Road Sidewalk/Bikeway
Fleet Street Extension, Phase III
Sidewalk Links II

AREA 5
Environment
Stream Stabilization and Rehabilitation
* Water Storage Tank – Cathodic Protection
Water Storage Tank Preservation
Watts Branch Sewer – Main Stem
Watts Branch SWM Facilities
Watts Branch Watershed Plan
Wootton Parkway SWM Facility

Recreation and Parks
Athletic Court System Improvements
Park Pedestrian Bridge Replacements

Transportation
Falls Road Sidewalk/Bikeway
Street Geometric and Safety Improvements
Wootton Parkway Bridge Rehabilitation
Wootton Parkway, Hurley Avenue/
Dunster Drive

AREA 6
General Government, Technology, and Community Enhancement
Decorative Traffic Signal Hardware
Town Center - Parking Club
Town Center – Parking Control
Town Center – Public Improvements
Town Center – Wayfinding Program

Environment
Adclare Road Water Main
Aintree Retrofit SWM Facility
Beall Avenue/Park Road Water Main Replacement
Research Boulevard Water Main
Sanitary Sewer Rehabilitation
Stream Stabilization and Rehabilitation
Thomas Farm Water Booster Station
* Water Storage Tank – Cathodic Protection
Water Storage Tank Preservation
Watts Branch Sewer – Main Stem
Watts Branch SWM Facilities
Watts Branch Watershed Plan

Recreation and Parks
Ballfield Improvements
City Hall Expansion
City Hall Improvements
* Fallsgrove Park/School Site

King Farm “Farmstead” Park Site
King Farm – Elementary School Site
Outdoor Security Lighting
Senior Center Access to West Gude Drive
Senior Center Master Plan Improvements
Swim Center Master Plan Improvements
* Thomas Farm Community Recreation Center
* Town Center Decorations

Transportation
Dale Drive Sidewalk
Great Falls Road Improvements
Gude Drive/Right Turn at Research Boulevard
* Maryland Avenue Extension
Nelson Street Traffic Control/Bike Lane
Sidewalk Links II
Street Geometric and Safety Improvements
Town Center – Street Lighting and Traffic Control
* Utility Relocation
Van Buren Street Drainage and Paving
* West End Improvements

* = new project

